

Message Text

LIMITED OFFICIAL USE

PAGE 01 KINSHA 02811 071154Z

46

ACTION AF-06

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 L-02

H-02 SCA-01 SCS-03 PRS-01 PA-01 USIA-06 /084 W

----- 020246

P 070840Z APR 75

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC PRIORITY 1981

LIMITED OFFICIAL USE KINSHASA 2811

E.O. 11652: N/A

TAGS: EINV, ECON, CG

SUBJECT: ALHADEFF NATIONALIZATION

1. EMBASSY HAS BEEN APPROACHED BY JOSEPH EL MANN WHO IS LOCAL REPRESENTATIVE OF AMERICAN ALHADEFF, INC., AND OTHER ALHADEFF INTERESTS HERE. HE REQUESTED ASSISTANCE IN REGARD TO RECENT NATIONALIZATION OF ALL ALHADEFF PROPERTIES IN ZAIRE. GOZ HAS APPOINTED SANGARA BIGIRIMANA TABARO AS DELEGUE GENERAL FOR ALHADEFF PROPERTIES AND REMISE-REPRISE TOOK PLACE ON MARCH 29. REMISE-REPRISE IS THE FORMAL TRANSFER OF OWNERSHIP TO THE GOVERNMENT AND IS APPARENTLY THE FINAL STEP IN THE PROCESS.

2. ALHADEFF PROPERTIES HERE WERE FORMERLY OWNED BY INDIVIDUAL MEMBERS OF THE ALHADEFF FAMILY AND OTHER INDIVIDUALS. ON DECEMBER 2, 1974, AMERICAN ALHADEFF, INC., WAS FORMED TO ACT AS A HOLDING COMPANY FOR ALL ALHADEFF PROPERTIES IN ZAIRE EXCEPT REAL ESTATE WHICH WAS LEFT IN HANDS OF INDIVIDUALS. THE REGISTERED OFFICE OF THE COMPANY IS 100 WEST TENTH ST., WILMINGTON, DELAWARE, AND THE STATED CAPITAL IS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KINSHA 02811 071154Z

\$3,200,000. STOCK IN THE CORPORATION WAS DISTRIBUTED

ON THE BASIS OF CONTRIBUTIONS OF STOCKS IN ZAIRIAN COMPANIES AND THE OWNERSHIP OF AMERICAN ALHADEFF IS AS FOLLOWS: SARAH ROSANES ALHADEFF, 18,675 SHARES; ELIE ALHADEFF, 3,735; ALBET ALHADEFF, 3,735; ALLEGRA KALISH ALHADEFF, 3,735; BENJAMINA FRANCO, 1,100; ARTHUR SWEGOSKI, 680; AND RACHEL LEVI, 340. AMERICAN INTEREST PREDATES FORMATION OF CORPORATION IF OUR UNDERSTANDING IS CORRECT THAT ALHADEFFS HAVE BEEN AM CITIS FOR SOME TIME.

3. ACCORDING TO EL MANN, MAJOR ALHADEFF PROPERTIES HERE CONSIST OF THE FOLLOWING: ATERLIER JOCK (CLOTHING, 100 PERCENT AMERICAN ALHADEFF); BOISSONS NATINALES (PEPSI-COLA, 100 PERCENT AA); CONFECTION AMBASSADOR (CLOTHING, 100 PERCENT AA); BONNETERIE OTRICOT (CLOTH, 50 PERCENT AA); AND VARIOUS PIECES OF REAL ESTATE OWNED OR PARTIALLY OWNED BY INDIVIDUAL MEMBERS OF THE ALHADEFF FAMILY. THE REAL ESTATE IS SAID TO BE OF CONSIDERABLE VALUE AND OF MOST CONCERN TO THE ALHADEFFS. EL MANN WAS ABLE TO TELL USE WHY THE REAL ESTATE WAS NOT ALSO TURNED OVER TO AMERICAN ALHADEFF. (WE ASSUME ANSWER IS POPERTIES ARE OWNED BY INDIVIDUAL MEMBERS OF ALHADEFF FAMILY AND THEREFORE SUBJECT TO DIFFERNT LAWS GOVERNING NON-COMMERICAL REAL ESTATE OWNED BY FOREIGNERS.)

4. EMBASSY HAS NOT RPT NOT FORMALLY APPROACHED GOZ ON THIS OR ANY OTHER ISSUE ARISING FROM THE DECEMBER 30, 1974 RADICALIZATION MEASURES. INQUIRERS HAVE BEEN ADVISED TO EXHAUST THEIR OWN REMEDIES FIRST. EL MANN INFORMED US HE DISCUSSED THIS MATTER BY PHONE WITH BOKANA W'ONDANGELA, COUNSELOR IN THE PRESIENCY, BUT WITH NO RESULTS. HE WANTS TO KNOW THE EMBASSY POSITION BEFORE TAKING FURTHER ACTION.

5. EMBASSY REQUESTS THAT DEPT. CONFIRM EXTENT AND DURATION OF AMERICAN INTEREST INVOLVED WHICH IDEALLY SHOULD PREDATE NOVEMBER 30, 1973 ZAIRIANIZATION MEASURES IF CASE IS TO BE MADE ON THIS BASIS. EMBASSY ALSO REQUESTS GUIDANCE AS TO COURSE OF ACTION TO BE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KINSHA 02811 071154Z

FOLLOWED.

6. PENDING REPLY, EMBASSY'S ADVISE TO ALHADEFF, SABUNI--OR ANY OTHER US INTEREST WHICH MIGHT BE AFFECTED--WILL CONTINUE TO BE THAT THEY SHOULD CARRY THEIR OWN CASE TO GOZ, EXHAUST LOCAL REMEDIES AND KEEP FULL RECORDS OF THEIR DEMARCHES SO THAT IF USG DETERMINES EXPROPRIATION OF US INTEREST HAS IN

FACT TAKEN PLACE, WE WILL BE WELL POSITIONED TO
SEEK PROMPT, EFFECTIVE AND ADEQUATE COMPENSATION.
HINTON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975KINSHA02811
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750119-0907
From: KINSHASA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750476/aaaacrjg.tel
Line Count: 118
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 29 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 AUG 2003 by ShawDG>; APPROVED <02 SEP 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ALHADEFF NATIONALIZATION
TAGS: EINV, ECON, CG, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006